OaklawnHospital

200 North Madison Marshall, Michigan 49068 269 781-4271



May 2, 2012

The Honorable Gail Haines
State Representative
N-892 House Office Building
P.O. Box 30014
Lansing, MI 48909

Dear Representative Haines:

On behalf of Oaklawn Hospital in Marshall, Michigan, I wanted to take this opportunity to reach out to you regarding the Certificate of Need program. I understand that the House Health Policy Committee will be meeting tomorrow to discuss issues surrounding our CON program. Unfortunately, I am not able to attend the committee meeting in person, but wanted to express our support for Certificate of Need.

Oaklawn Hospital is a 94-bed hospital with more than 900 employees and 90 active staff physicians providing 30 specialties. We have received the Governor's Award of Excellence, and have been honored by the American Nurse Credentialing Center (ANCC) with MAGNET Hospital recognition – the 4th smallest, independent acute care hospital nationwide to achieve distinction and only the 6th hospital in Michigan. In CMS' most recent release of patient satisfaction data, Oaklawn Hospital was above state and national averages for nine of ten domains measured, and achieved top-decile nationally on the key measures, Rated 9-10 and Would recommend to family/friends. For the year 2011, 47.7% of all patients said their care and treatment at Oaklawn was better than expected – the highest annual value ever recorded in the seventeen-year history of Oaklawn's Patient Expectations Project.

Other important milestones we have reached in the past two years:

- Fixed MRI was put into service on May 3, 2010
- Advanced-technology sixty-four slice CT scanner replaced the eight-slice unit in January, 2011.
- Oaklawn's new electronic health records (EHR) Cerner system, went live on April 12, 2011.
- The hospital qualified for the government's Meaningful Use incentives in year one, and was among the first group nationwide to receive incentive payments for EHR in October, 2011.



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As you may know Oaklawn Hospital has been an active participant in the CON process for many years. In 2009, we reached out to the CON Commission to request a modification to the CON Standards for Magnetic Resonance Imaging (MRI), which would allow hospitals with sufficiently busy emergency rooms to qualify for fixed MRI service. The Commission understood and agreed with our concern and modified the standards accordingly.

Earlier this year we also expressed concern to the Commission regarding the effect the low occupancy provisions in the hospital bed standards might have on smaller, less urban hospitals. We engaged in an active discussion with the Commission over the course of the past several months. Although, in the end, they did not agree with our proposed solution, we believe it received full consideration and debate.

We recognize that the CON Commission is not going to always share our concerns of agree with our solutions, but we fully support the CON process and believe it is a program that serves the State of Michigan well. It has been designed to keep the costs of health care in Michigan down while ensuring access to quality health care services, and we strongly believe it does this.

If you have any questions, please do not hesitate to contact me directly at (269) 789-3924.

Sincerely,

Rob Covert, FACHE

President and CEO